

COUNTRY PAPER  
ON  
LOCAL GOVERNMENT SYSTEM IN INDIA



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## INTRODUCTION

Historically, local government institutions in the present form were set up, during the British regime, in the urban areas first. The rural areas were directly administered by a Government agent - the Collector; hence it was not felt necessary to endow these areas with local representative bodies. The compelling need to have some form of municipal administration for the bigger cities arose out of the constant demand from liberal, educated elements for some form of local self-government. In the rural areas, however, even when the local bodies were nominated with restricted powers, they were instruments for carrying out limited tasks under the district Collector.

Traditionally, therefore, the two types of local government institutions in India - urban and rural - have grown up in different ways. Municipal institutions in the urban areas have been relatively free and enjoyed a degree of autonomy that helped their growth as a much more self-contained system. The rural local government institutions, however, have perforce been functioning in close association with the State or Provincial administration and, therefore, present a fragmented picture. Nonetheless, both are creatures of the State Government which has powers to legislate and give them a body and soul.

Both these forms of local government have their own peculiar features in their structure, personnel functions, responsibilities and resources. Hence they have been dealt with separately. The first part on municipal government is

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Reorganization of administration at municipal, district and lower levels, on the principle of decentralisation, has raised many problems and issues. Some of these are: financial and administrative viability of units; population size and area for effective delegation; level at which decentralisation should take place and the degree thereof; recruitment policy; coordination and supervision; method of elections and involvement of political parties. One of the major problems is that of "catchment areas" for effective administration of services and the complexity and economy of scale. Any institution of this nature derives its true strength and resilience from the forces operating within it and the capacity of its personnel in dealing with external environment. This is especially true when a system is required to be self-generating and involves a sizeable element of local population with cultural diversity and complexity of needs. Human resource development in these institutions will have to handle specific problems of knowledge, skills and attitudes which have relevance to their peculiar situation. Hence the training needs have also been dealt with separately.

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P A R T - I

MUNICIPAL GOVERNMENT



## PART I : MUNICIPAL GOVERNMENT

### A. Structure of Municipal Government

#### Evolution

Urban local Government in India in its present form was a British innovation. Its origin cannot be said to be unicausal. Expediency, philosophy and administrative necessity - all combined in ushering in municipal government in the cities and towns during the British regime. During the expansionist stage of British Imperialism in the last century, continued military operations proved extremely costly and there was hardly any money left for undertaking constructive local works. So local initiative was naturally encouraged in this sphere. Local government was also fostered on philosophical ground as it was felt that administrative capacity could be developed through initiating local participation in local decision-making. As education was spreading, the urban elite had to be politically accommodated in the newly evolved system of municipal government. In a vast country, creation of decentralised units of administration became a necessity. The first municipal legislation was enacted in

1842. In the presidency towns of Calcutta, Bombay and Madras, local administration started in the middle of the eighteenth century. The Municipal Corporation Act dates back to 1888. The representative principle was gradually introduced after the Ripon Resolution in 1882. The Government of India Act 1919 marks a watershed in the evolution of municipal government, when it was formally separated from state field administration. The structure of municipal government has not changed much since the first decade of this century. Under the federal constitution, 'local government' falls within the legislative competence of the state governments. The organization, powers, functions and finances of local bodies are determined by the states by means of ordinary legislations.

Types:

There are five types of urban local bodies in India, e.g. municipal corporation, municipality, cantonment board, notified area committee, and town area committee.

Urban Local Bodies in India

<u>Types</u>	<u>Number</u>
Municipal Corporations	34
Municipal Councils	1480
Cantonment boards	62
Notified Area Committees	164
Town Area Committees	327



Table above shows all the five types of urban local bodies. Only the first two can be considered as fully fledged representative urban local government. The cantonments are military stations that grew up during the British regime for historical reasons and are controlled directly by the central Ministry of Defence. The notified and town area committees are usually nominated, or partly nominated and partly elected. Generally, such committees are set up for small towns and entrusted with limited local functions.

#### Organisation

The corporation form is usually found in the principal cities. In general, the corporations enjoy wider powers and more autonomy than the municipalities. A distinctive feature of the corporation system is the statutory distribution of powers among three co-ordinate authorities; the corporation or the council, the commissioner and the standing committees. The council consists of popularly elected representatives who in turn elect the mayor. The commissioner, who is the head of executive administration, usually belongs to the Indian Administrative Service and is appointed by the state government to serve in corporations. The corporation can resolve to remove the commissioner at a special meeting. An important feature of the bigger municipal corporations, is the existence of decentralised

units called borough committees (in Calcutta) or zonal committees (in Delhi) to which are delegated many of the purely local functions such as vaccination, registration of births and deaths, cleansing of streets and other local improvement works. Most of the bigger cities have decentralised units of administration to deliver local services at the door of the citizen.

The municipal organization reflects the separation of executive from deliberative functions. On the deliberative side, there is usually a secretary who prepares the agenda of the various committees and the council, takes minutes and looks into the implementation of the resolutions. The executive administration is headed by the Commissioner, who is assisted by a number of Deputy and Assistant Commissioners responsible for supervising a group of functions or incharge of the administration of sub-municipal zones. The various major functions like assessment and collection of taxes, finance and accounts, health, public works, town planning, education etc., are headed by specialists belonging to either integrated or unified state cadres or exclusively to the corporation service. General establishment matters are looked after by the Commissioner with the assistance of one of his deputies. Each of the major departments of a Corporation corresponds to a committee of elected councillors. In addition, there is a standing or executive committee wielding statutory



powers. The major corporate powers are located in the Council.

Municipalities in India exhibit varieties in their organizational structures. The traditional framework has been a conciliar type, the council consisting of popular representatives exercising powers in a corporate capacity. The chairman (also known as president) and his deputy enjoy limited statutory powers, but the council may give them more powers by delegation. The chairman is the head of both the council and the executive administration of the municipality. The office of the executive officer or chief officer has been instituted in most places to strengthen executive administration. In general, the executive officer functions under the general guidance and direction of the municipal chairman. Municipal structure in the southern states is somewhat different where the municipalities present a picture of fragmented structure which is more akin to the corporation model. Municipal powers are parcelled out among a number of statutory authorities, such as the council, a standing committee, the chairman and the executive officer. Alongside the council and the standing committee, there is an area of independent operation in enforcement matters for the executive officer, who is recruited by the government under a unified municipal personnel system. A few municipal Acts provide for a central committee, usually

the finance committee, to integrate the diverse threads of municipal administration and to act as a bridge between the council and the executive administration. Wherever the appointed chief executive has been endowed with statutory powers, it has led to conflict of powers. The organization of a municipality is thus headed by an elected chairman/president who has, as his chief advisor, an executive officer appointed in some cases by the municipality, but, generally, by the state government. Then follows the departmental structure, each department being headed by a specialist like an engineer, a health officer etc.

To regularise the recruitment of senior and middle level municipal personnel, the state public service commissions have been used in some states. The system of integrated service for technical posts such as municipal engineers and health officers has been adopted in a few states. Under this system, the officers are recruited for the requirements of the state government as well as the municipal corporations and municipal councils, and they may be posted either to a state department or to any of the urban local bodies. Also, there are quite a few states that have now introduced a system of unified municipal service for specific high level posts under which the officers are transferable from one municipal authority to another. Municipal personnel system is like a multi

layered cake. In major corporations, the top positions are usually manned by state-appointed civil servants belonging to an integrated or unified cadre of administrative and technical officers. This practice has helped improve the quality of municipal administration at superior levels. Underneath, there are various supervisory positions belonging to either unified or separate personnel system. The unskilled and semi-skilled workers at the lower level are local recruits.

Functions:

The more important functions are:

public health - including water supply, drainage and sewerage, scavenging, collection and disposal of refuse, street cleaning, vaccination and inoculation; primary education; public safety (street lighting) and convenience; and roads and public works. They also have considerable regulatory functions, more important among which are building regulations; abatement of nuisances, inspection of markets and slaughter houses, and prevention of food adulteration. In recent years, special purpose bodies have been set up in most major urban areas to undertake capital development functions such as construction of water works and roads, housing, land development and disposal, slums clearance and improvement, and city regional planning and development. Because of the magnitude of the problems and large scale of technical operation, these functions have been entrusted to specialised bodies.



Since the brunt of urbanization is borne by the larger metropolitan cities, organizational changes are afoot in most of them. Currently, these are covered by an apex organization charged with the responsibility of planning, coordination, financing and execution of major development projects. In cities like Calcutta, Madras, Delhi, Bombay and a few others, the Metropolitan Development Authorities have come up as strong summit organizations looking after metropolitan area-wide problems. Structurally, they seek to accommodate the diverse urban interests through indirect representation of municipal, state, and other special elements.

State Control:

The Municipal Acts in India abound in regulatory and punitive provisions which have helped the state executive administration to evolve a system of control and supervision resembling the French 'Tutelage'. State control over municipal financial administration is the strictest. There are provisions about default powers, rescission of municipal resolutions, removal of members, and supersession and dissolution. Less drastic state powers include those relating to inspection, calling for information and reports, and giving directions and conditional grants-in-aid. Wherever integrated and/or unified municipal services have been introduced, the state governments have encroached upon municipal powers over personnel administration. The municipalities are supervised by

field officers of the State such as Divisional Commissioner and the District Collector. Any communication with the state government has to pass through the Collector and municipal budgets are, in some cases, approved by the Divisional Commissioner, who has a number of districts under his jurisdiction. The current trend is towards the setting up of State Directorates of Municipal Administration with or without regional field organizations. These are yet to be properly organised and they have not done much beyond intermittent inspections. For functional and technical help and advice the municipal authorities have to seek the assistance of State technical departments such as those dealing with public health engineering, town planning, public works and so on.

#### Local Fiscal Administration

##### Sources of Revenue:

Local government authorities derive their tax powers from the legislations permitting the use of specific taxes belonging to the domain of the state governments. Local taxes, therefore, are differentiated from state taxes through legislative provisions, rather than delimited in the Constitution. There are 15 different types of taxes earmarked for the municipal authorities and about 26 taxes leviable by the rural local authorities. Of these only a few are actually utilised. There are detailed provisions regarding the levy of the local taxes and the state

governments, exercise review powers to ensure judicious use of these tax powers.

The main taxes exploited by the municipal bodies are: (i) taxes on property - general rate and service taxes; (ii) octroi (except in the eastern and the three southern states of Tamil Nadu, Kerala and Coastal Andhra); (iii) taxes on animals and vehicles; and (iv) tax on trades and callings (except in U.P. and Jammu-Kashmir). Property taxes are levied on buildings and adjoining land on the basis of annual rental. The service taxes are surcharges on the annual value of properties and are levied for specific services rendered. Octroi is levied on goods entering into a local area for consumption or sale. Vehicle tax is imposed on nonmechanically propelled vehicles plying within a local area. The tax on professions is a variant of a local income tax, subject to a maximum annual ceiling of Rs.250 (\$ 30.00) per assessee. Municipal authorities derive about 60% of their ordinary income from tax revenues, about 21% from non-tax sources and the rest 13% from grants-in-aid.

Property taxes constitute about half of total tax income of all municipal authorities. These include the general tax on lands and buildings and the service taxes for water, lighting, drainage, etc., which are assessed on the annual rateable value of the property. In addition to water tax, municipal authorities also levy water charges



on the basis of water consumption. Octroi is the next important source of municipal revenue which provides about 43% of the tax income of the municipalities, but contributes only about 15% of tax revenue of the municipal corporations. The 'miscellaneous' group of taxes contribute about 60% of tax revenue of the smaller urban authorities and contributes only about 10% of tax revenue to the municipalities and 5% of municipal corporation taxes. These taxes include entertainment tax, education cess, duty on transfer of properties and betterment taxes.

Municipal nontax revenue includes profits from remunerative enterprises like markets, slaughter houses, etc. The dependence of the municipal corporations on tax sources is quite heavy - about 73%; while the smaller urban authorities rely mainly on non-tax sources and grants - about 24% under each category.

Shared taxes and grants:

The tax on motor vehicles, imposed by the state governments, is shared with the municipal authorities on compensation basis, derived from the quantum lost when it was provincialised in 1939. Three states - Madhya Pradesh, Gujarat and Kerala - have formulated detailed schemes of general purpose grants to the urban local authorities. These grants are given on per capita basis, the smaller authorities are allowed greater weightage than the larger municipalities and corporations. These

grants are meant for budget balancing and equalisation. A large number of specific purpose grants are also given to the urban local bodies for education, public health, dispensaries, roads and community services. All development or plan grants are given on specific formula basis. Recurring grants tend to be based on unit system, while plan grants are schematic. A few grants are also given on compensatory basis owing to the abolition of certain municipal taxes, fees and fines. The while question of state grants and shared taxes is being reviewed in some states by state-level municipal finance commissions to rationalise the system. In Gujarat, there is a periodicity of such review and an attempt is made to integrate the state's commitment to the municipal authorities in its fiscal planning.

Expenditure Pattern:

On the expenditure side, there is little variation in pattern among the different types of municipal authorities. Public health accounts for about 40% of total ordinary municipal expenditure; the municipal corporations spend about 50% of their ordinary expenditure and the smaller authorities spend about a third on this head. Education is next in importance claiming about 15% of local urban expenditure, inspite of many of the states undertaking this function directly. General administration occupies the third place, accounting for about 12% of



municipal expenditure. Public works are important (13%) in the municipalities, but less so in the municipal corporations and smaller authorities (8%). Public safety accounts for about 13% of municipal and smaller authorities expenditure, but only about 8% in case of municipal corporations. Repayment of loan is an important item (14%) for the municipal corporations. The larger municipal corporations undertake capital development works on account of water supply and sewerage projects under the national plan schemes, but there does not seem to be any consistent pattern of growth of their capital expenditure over time. The municipal budget does not separate current and capital expenditure, although most of the non-recurring expenditures are included under a separate head on extraordinary items.

The variation in the level of municipal services is reflected in the per capita municipal expenditure for different size classes as shown in the following table:

The per capita expenditure on different services has been consistently rising in bigger corporations, because of their relatively larger resource base. Small and medium towns are being helped financially and technically by the state governments to augment essential civic services like water supply, and drainage

Per Capita Distribution of Municipal Expenditure, 1963

Population Size		Average Expenditure	
		Rs.	\$*
Municipal Corporations		31.50	3.94
Municipalities -			
Class I (over 1100,000)		19.04	2.38
" II (50,000 - 100,000)		16.75	2.09
" III (20,000 - 50,000)		16.12	2.02
" IV (10,000 - 20,000)		12.83	1.60
" V ( 5,000 - 10,000)		11.31	1.41
" VI ( below 5,000)		10.56	1.32

\* \$ 1 = Rs 8 (approximately)

and sewerage. The national Fifth-Five Year Plan aims to ensure that minimum service needs of the urban population are fulfilled within as short a time as possible. The income size of the municipal authorities vary a great deal. The bigger municipal corporations have income ranges from over Rs 600 million (\$ 7.86 million) in Bombay to Rs 4 million (\$ 0.5 million) in Chandernagar. In the case of municipalities, the income variation is even more pronounced. About 70% of the municipalities have income ranging between Rs 1 million (\$ 0.13 millions) to Rs 5 million (\$ 0.63 million). In the latter case, the population of many municipalities is also correspondingly small.

### Credit Facilities:

Credit facilities to the municipal authorities are extremely limited, nor are the municipal authorities allowed to borrow in the open market. The plan allocations and institutional finance (through the Life Insurance Corporation and the Central Housing and Urban Development Corporation) are generally inadequate. The interest rate for loans tends to be reasonable and the repayment terms are fairly long (25 to 30 years). The major municipal corporations are legally permitted to borrow in the open market, but so far only about half a dozen have been allowed to do so. Even then, the amount that could be borrowed comes to a fraction of their total requirements. Recently, in Kerala an Urban Development Finance Corporation has been set up to provide integrated credit facilities to the urban local authorities. Although several committees have suggested the creation of municipal finance corporations at the state-level, there seems to be inadequate response in this direction. For many of the development projects, the municipal authorities need soft loans - an amalgam of loan and grant - which tend to be allocated through a centralised process of plan financing covering only the activities of the central and state governments.

There is an awareness now in the national plan of improving infrastructural facilities especially in

the bigger urban complexes. This has manifested itself in the creation of special urban development authorities in most large urban areas, and plan funds are channelled through them. Quantum of plan assistance for urban development in the national plan is being increased from time to time.

Local Administration in  
Local Development

Municipal authorities in India have not been oriented to development tasks, but have mainly concerned themselves with routine maintenance management. As a result very few municipal authorities have prepared integrated development plans for their areas. The acute paucity of domestic resources have prevented the municipal authorities to take initiative in undertaking authority-wide development plans. The plan funds, which percolate from the state governments on functional lines, have sometimes been available to augment specific municipal development tasks for water supply and sanitation, slum clearance and improvement, health and family planning, etc. Whenever such external assistance is available, municipal authorities are required to undertake the operational planning for project or programme implementation. At the national level, the Planning Commission has been exhorting the states since 1962 to take steps for the preparation of comprehensive city development plans and their integration with the state plans. Once the municipal bodies are



brought into the mainstream of the national planning process, their performance is expected to improve and this would facilitate coordinated approach to urban and rural development. It might be necessary to build up planning expertise in the municipal bodies to enable them to play their developmental role better.

The field-level coordination between the municipal authorities and other public agencies is achieved through the state field administration represented by the District Officer or the Divisional Commissioner. Where municipal projects are financed through the state functional departments, the technical field officers of these departments ensure necessary programme co-ordination between the state and local sector activities. In cases of major municipal capital development projects, the state departmental engineers are associated at both the planning and implementation stages. Very often, they are incharge of project execution as well, if the funding is provided by the state exchequer.

In the major cities, apart from the municipal authorities, there are improvement trusts or development authorities functioning at the city level having urban development responsibilities. Problems of coordination do arise when developed areas are handed over by the development authorities to the municipal authorities for expansion of civic services and municipal regulation. Similar problems arise where other special authorities

have been established for urban housing and water supply and sewerage. Coordination of various local functions is also called for between the municipal and the rural local authorities in matters of taxation, control of epidemics, availability of civic services and pooling of technical expertise. In many cases, joint services are undertaken by the urban and rural local authorities for economy and efficiency considerations. The municipal authorities sometimes undertake agency functions on behalf of the state departments in the fields of family planning, census operations, public distribution system and so on.

#### B. Identification of Training Needs

##### Goals, Objectives and Priorities

The goals of planning in India have combined social and economic development with equity and justice. The two major objectives highlighted in the draft Fifth Five Year Plan (1974-79) of the country are removal of poverty and attainment of self-reliance which require, as necessary corollaries, higher growth, better distribution of incomes and a significant step-up in the domestic rate of saving.

Since local government, both urban and rural, is primarily concerned with social development, a breakdown of the social services in the public sector outlay is given below. The allocations in the draft fifth plan

are still to be finalised and it is expected that more funds will be available under 'urban development' and other heads.

Breakdown of the Public Sector Plan Outlay  
for Social Services

(Percentages to total Plan outlay)

	Fourth Plan (1969-74)	Fifth Plan (1974-79)
1. Housing and real estate	1.5.	1.6
2. Urban development	3.2	4.3
3. Education	5.1	4.6
4. Family Planning	1.9	1.4
5. Nutrition	-	1.1
6. Miscellaneous	2.0	2.0
	<u>13.7</u>	<u>15.0</u>

The draft Fifth Plan document includes a national programme of minimum needs in terms of the provision of a minimum level of social consumption for different areas and sections of the community. The content of the minimum needs programme includes (i) the provision of elementary education, (ii) minimum uniform availability of public health facilities, (iii) supply of drinking water to villages (v) provision of developed home-sites to the landless labour in the rural areas, (vi) undertaking environmental improvement of slums, and (vii) ensuring electrification of villages.

Successive five-year plans, have underscored the need for strengthening local government to enable it to undertake the task of development. For instance, the Third Plan explicitly suggested the strengthening of municipal administration for understanding new development responsibilities.

Plan funds for urban areas are utilised by the state governments, specially constituted development authorities, and by the bigger municipal authorities who have the requisite expertise to formulate plans and programmes. With the exception of larger municipal bodies, the municipalities have in general been preoccupied with routine maintenance tasks and lacking in necessary orientation and expertise to undertake planning and development tasks.

#### Programmes and Activities

Municipal legislations in India usually contain exhaustive lists of obligatory and optional functions such as water supply and drainage, medical and public health services, sanitation and refuse collection and disposal, education and library services, town improvement and planning, street lighting, parks and recreational facilities, and public works including construction of roads and other public buildings and housing. In practice, the municipal authorities concentrate on certain essential services selectively, such as, water supply, sanitation, road construction and repairs. Housing, parks and recreational



facilities, town planning and improvement are, generally speaking, placed lower down in the order of priority, except in the case of bigger corporations.

Since the cities are experiencing faster population growth, their resources do not always match up to the rising demand for civic services. Working within known constraints of finance and technical knowledge, the city governments are trying hard to cope with increasing demand for different services such as water supply, primary education, drainage and sewerage, public health facilities and so on.

The current state of municipal affairs is the cumulative result of many forces working together. Full utilization of domestic resources is possible through harmonious working of the municipal administrative machine. Proper training facilities are also needed to enhance the competence of municipal personnel.

We might now turn to the remediable defects in municipal administration which are substantially removable through imaginative training programmes. The chief weakness of municipal administration is continued conflict and misunderstanding between the municipal bureaucracy and the elected municipal councillors. The success of municipal administration depends overly on a mature understanding and meaningful communication between these two elements. A culture of togetherness between the elected representatives and the officers needs to be developed

through well-designed training programmes.

The committee system and the departmental arrangement have combined, in general, to replace overall municipal objective by separate functional objectives of each particular department. Wherever the elected representatives and administrators have developed mature understanding of their respective roles, they have exhibited a concern for municipal corporate goals and implemented the programmes more purposefully.

Long-term comprehensive planning, as distinguished from planning of particular function, is yet to be undertaken at the municipal level, although its methodology is under experimentation. The municipal budgeting in some places is being improved and made performance oriented. However, there is considerable room for making improvements in local authority budgeting to obtain optimum results out of limited resources, As a tool of management and an element in long-term planning, its potentiality is still unexplored.

The domestic resources of the municipal bodies are often not fully tapped. The yield from property tax, for instance, is not upto expectation, as the technical processes are not always properly adhered to; nor are the collection procedures satisfactory. Resource raising from urban land development and other remunerative enterprises is yet to be pursued with vigour and imagination.

At the micro level, the management of municipal utilities, like water supply, needs some streamlining. Improvements are possible in cost calculations and pricing of utilities. Geographic distribution of municipal services can be better organised to guard against uneven supply among the different areas and populations. Through work study and allied techniques, it is possible to make substantial improvements in organization and the procedure of work. Personnel administration in the municipalities can be improved to get the best out of human resources.

In the interfaces, the municipalities have to deal with the state government and the citizens. State-municipal relationships have yet to reach a mature understanding when both can play complementary and helpful roles in the furtherance of public interest. At the other end, public dealings of the municipal bodies have never been heart-warming, and this area needs imaginative handling.

#### Knowledge, Skills and Attitudes

As indicated earlier, there are some basic shortcomings in the personnel practices of municipal bodies in India that limit the scope of training. Generally, the entry qualifications are not properly adhered to. The scales of pay and other service conditions in the municipal authorities compare unfavourably with other governmental levels and the organised private sector. Consequently, the municipal bodies fail to attract properly qualified personnel to man the various positions. The municipal



personnel structure is such that positions at higher levels are filled-up by persons drawn from superior cadres belonging to state and national services. This prevents vertical mobility of purely municipal staff, especially in the municipal corporations. Within these constraints, it is possible to identify the kinds of knowledge, skills and behavioural inputs necessary to improve the job performance and change attitudes.

In the urban areas changes are much faster and the municipal organisations have to keep pace with them. Municipal officers holding managerial positions need to be tuned to the environmental changes of various kinds which impinge directly on municipal administration. These are broadly of three types: social, political and economic. Social changes would include understanding of the changing social profile of the urban area. Since demographic changes are much more acute in the cities and towns, social profile of the city is in a state of flux especially in the major metropolitan areas. An adequate understanding of the changing social profile is a precondition to ensuring proper distribution of civic services among the different localities and sections in urban community. The different types of clientele being served by the city government determine the nature of demand coming from the consumer for specific city services. It has been observed that the majority of the cities and towns in India are predominantly service centres which has resulted in

weak economic base of the urban area. Municipal finances have virtually been stagnant over time as the municipalities find it hard to tap resources from the domestic tax jurisdiction. In this context municipal administration has an important responsibility to stimulate the urban economic base by attracting industries and other organised activities. In the bigger metropolitan areas, the tax net of the local body is unable to include the lucrative sources from business and industries. Even if the metropolitan city is apparently economically affluent, the city government remains financially poor. The economic environment is also important from the standpoint of environmental management. The location of industries, industrial pollution and increase in city traffic have to be regulated from the standpoint of healthy urban environment.

The political environment is crucial for city government, as the political processes within the city are vitally, linked to the processes outside. The kinds of pressures that are brought to bear on governmental decision-making within city administration need to be understood for better management of urban affairs. In a developing country usually the political configuration at city and higher government levels is such that different political parties hold sway at different levels. In these circumstances both parties have to understand each other's position in order to facilitate undertaking of common tasks in the public interest. At the state level the rural interests naturally pre-

dominate as the State Legislature consists mostly of rural legislators. In this process the urban interests many a time are neglected or go by default. The urban administrators need to be oriented towards these political processes.

The urban administrators work in a multiauthority complex where state government, field organisations, special authorities exist together and interact among themselves. An awareness of this interacting situation helps better urban administration. The role of the higher level government in urban administration is considerable. In fact urban administration can be successfully run only by cooperative efforts of governments at both levels.

Aside from knowledge inputs, different kinds of skills are necessary for better job performance in municipal administration. These skills are broadly classifiable into quantitative tools, decision-making techniques and behavioural skills. Big city administration is big business today and most city governments are engaged in major investment decisions which call for considerable sophistication in management. Quantitative tools are of immense importance in minimisation of risks, reduction of cost, proper utilisation of resources and designing monitoring and information system. Municipal officers should be acquainted with the nature of these tools and their uses. In addition, the decision-making

tools relevant at the municipal level would include training in various decision-techniques such as PPBS, cost-benefit analysis and budgetary decision-making. On the behavioural side municipal officers need to be exposed to organisation theories, interpersonal and intergroup relations, problems of organisational design, communication and control, and motivation. To activate the municipal organisation the human relations aspect is of critical importance in municipal administration.

Elected councillors in the municipalities are more than mere legislators. They perform important administrative functions as members of functional and other ad hoc committees. Training of councillors has to be oriented toward the macro goals of municipal administration, so that they are able to realise the development needs of the city as a whole in a longer time perspective. Decision-making and behavioural skills need also to be inculcated to enable them to function better in their roles.



C. The Training Syllabus

I. Course on Financing Urban Development

Course Objectives

- (i) To promote awareness of problems of financing urban development in an inter-institutional context, and
- (ii) To improve the capabilities of local administrators by acquainting them with various tools of financial management for urban development.

Course Contents

A. Environment of Urban Finance (4)

- 1. Urban Economic Base
- 2. National Plan and Urban Development
- 3. Inter-governmental Fiscal Relations
- 4. Municipal Fiscal System

B. Methods of Urban Finance (4)

- 1. Financial Perspectives of Urban Development
- 2. Financing Water-Supply and Sewerage
- 3. Land Development and Housing Finance
- 4. Transportation and Road Finance

C. Municipal Fiscal Administration (5)

- 1. Property Tax Administration
- 2. Municipal Sales Taxation
- 3. User Charges and Utility Pricing
- 4. Burden of Municipal Expenditure
- 5. Administration of Grants-in-Aid



D. Municipal Planning and Budgeting (5)

1. Municipal Corporate Planning
2. Programme Planning and Budgeting
3. Cost-Benefit Analysis
4. Municipal Fiscal Programming
5. Project Scheduling and Budgeting

E. Municipal Financial Management (6)

1. Financial Control and Delegation
2. Performance Budgeting
3. Financial Decision Techniques
4. Cash Flow Management
5. Municipal Debt Management
6. Financial Information System

## II. Course on Municipal Development

### Course Objectives

- (i) To orient the local administrators to the changes in the environment,
- (ii) To improve the decision-making ability of the local administrators by acquainting them with the new management tools and techniques, and
- (iii) To effect attitudinal changes for enhancing organisational efficiency.

### Course Contents

#### A. Environment of Municipal Government (5)

- 1. Political Context of Municipal Administration
- 2. Social Indicators for Urban Development
- 3. Citizens Participation and Municipal Administration
- 4. Organizational Linkages in Urban Development
- 5. Decentralisation for Local Development

#### B. Corporate Management (4)

- 1. Systems Approach to Urban Management
- 2. Corporate Planning
- 3. Programme Planning
- 4. Organisational Design

#### C. Management Techniques (4)

- 1. Management Information System
- 2. Network Analysis
- 3. Inventory Management
- 4. Work Study Techniques

D. Personnel Management (5)

1. Manpower Planning
2. Position Classification
3. Performance Appraisal
4. Compensation Plan
5. Motivation and Morale

E. Organisational Behaviour (5)

1. Organization Theories
2. Authority and Conflict
3. Administrative Communication
4. Leadership in Administration
5. Organizational Change



PART - II

RURAL LOCAL ADMINISTRATION





## PART II : RURAL LOCAL ADMINISTRATION

### Genesis:

The starting point of local self-government in India is the Resolution of Lord Ripon of 1882 which urged the setting up of local self-governing bodies at the sub-divisional level and a supervisory and coordinating body at the district level. In accordance with these recommendations, laws were enacted during 1883-1885 but their implementation could not make much headway. The Royal Commission on Decentralisation of 1908 reemphasized the usefulness of these bodies and recommended measures to strengthen them but without much gain. Local self-government again received a new stimulus under the dyarchical system introduced by the Government of India Act of 1919 under which some provinces passed village Panchayat Acts.

In independent India, the programme of community development in rural areas was started in 1952 to bring about planned social change. As the programme could not bring the expected results, a Committee headed by Balwantray G. Mehta was appointed in 1957 to examine the limitations of the programme and to suggest an organizational pattern which would

speed-up its overall working.<sup>1</sup>

The Committee submitted its report in November, 1957 and stated, 'So long as we do not discover or create a representative and democratic institution which will supply the local interest, supervision and care necessary to ensure that expenditure of money upon local object conforms with the needs and wishes of the locality, invest it with adequate power and assign to it appropriate finances, we will never be able to evoke local interest and excite local initiative in the field of development'.<sup>2</sup> The substance of the recommendations centred on the concept of 'democratic decentralisation', envisaging replacement of the erstwhile district boards and other executive bodies such as District Planning Committees and Block Advisory Committees by an organically interlinked popular set-up at the district and lower-levels. The main recommendation of the Committee was as follows:

"Development cannot progress without responsibility and power. Community Development can be real only when the Community understands its problems, realizes its responsibilities, exercises the necessary powers through

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1. Government of India, Planning Commission, Committee on Plan Projects. Report of the Study Team for the Study of the Community Projects and National Extension Service, Chairman, Balwantray G. Mehta, New Delhi, 1957.

2. Op.cit., p.5.

its chosen representatives and maintains a constant and intelligent vigilance on local administration. With this objective, we recommend an early establishment of statutory elective local bodies and devolution to them of the necessary resource, power and authority".<sup>3</sup>

The recommendations of the Mehta Committee were approved by the National Development Council in 1958. Later, the Central Council of Local Self-Government in 1959 laid down the following principles for implementation of rural local government, called Panchayati Raj hereafter: (1) It should be a three-tier structure of local self-governing bodies from village to the district, the bodies being organically linked up; (2) There should be genuine transfer of power and responsibility to them; (3) Adequate resources should be transferred to the new bodies to enable them to discharge these responsibilities; (4) All developmental programmes at these levels should be channelled through these bodies; (5) The system evolved should be such as will facilitate further devolution and dispersal of power and responsibility in the future.

The Council also stated that while the broad pattern and fundamentals may be uniform there should not be

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3. c.f. Government of India, Ministry of Community Development and Cooperation, Report of the Study Group on Budgeting and Accounting Procedure of Panchayati Raj Institutions, New Delhi, 1962, p.5.

any rigidity in the pattern. In fact, the country is so large and Panchayati Raj so complex a subject with far-reaching consequences that there should be the fullest scope for trying out various patterns and alternatives.

Progress:

The Panchayati Raj system was first introduced in 1959 in the state of Rajasthan followed by Andhra Pradesh and later by others. It is now under implementation in all states except Kerala, Madhya Pradesh, Jammu and Kashmir, and Meghalaya. In Bihar, it has been introduced only in eight out of 33 districts. The coverage of Panchayati Raj in different states is given in Annexure I.

Organisational Structure

Broadly speaking, the system exists at three levels, namely, the village, block or taluka, and district. At the village level, the Gram Sabha and Gram Panchayat are statutorily recognised as the primary bodies for promotion of community development. The Gram Sabha is the general body of the Gram Panchayat consisting of all voters residing within the jurisdiction which may extend over one or a group of villages. The Gram Panchayat is accountable to the Gram Sabha. The members of Gram Panchayat are elected by secret ballot on the basis of adult suffrage. The President (Sarpanch) of the Gram Panchayat is usually elected by the members, but in some states



directly by the voters. The size and area of a Gram Panchayat differ from state to state.

The village Level Worker (VLW) is the most important functionary and acts as the main link between the Extension Officers at the Block/district level and the common man. The Panchayat Secretary is another important village functionary whose responsibilities are collection of taxes and other dues and maintenance of records.

The intermediate tier in Panchayati Raj is the Panchayat Samiti at the Block Level. It consists of the Sarpanches of Gram Panchayats falling within its jurisdiction as members. The pattern of its constitution varies from state to state. By and large, the official and non-official wings are as follows: on the administrative side, the Block Development Officer acts as the Secretary of the Panchayat Samiti and has a team of Extension Officers of various development departments. He is responsible for carrying out the decisions of the Panchayat Samiti. On the political side, the members elect a President (Pradhan). Each Panchayat Samiti has a number of Standing Committees for finance, development and welfare programmes.

The highest tier at the district level is the Zila Parishad. Its membership consists of Presidents of Panchayat Samitis falling within its jurisdiction. Zila Parishad generally functions at the district level except

Assam and Tamil Nadu where it operates at the 'sub-divisional' and 'development district' levels respectively. In states, where the Zila Parishad has been constituted with sufficient powers and resources such as Maharashtra and Gujarat an officer of the rank of District Collector is made its Chief Executive Officer. He is assisted by a team of technical and administrative officers for implementation of rural development programmes. In all cases, there are standing Committees similar to the ones in Panchayat Samitis.

Keeping in view the general outline proposed by the Mehta Committee, Panchayati Raj bodies are created through law enacted by the state Legislative Assembly which provides them with all such powers, functions and resources as it may deem appropriate.

The organization of Panchayati Raj in terms of hierarchy operates at two levels, namely, state and district. Both these levels are inter-linked with each other through an administrative system which operates from the state to the village level. The different administrative tiers for purposes of carrying out the rural development programmes through Panchayati Raj are: (1) Secretariat, (2) Directorate, (3) District, (4) Block and (5) Village.

At the top of the state administration is the Minister for Panchayati Raj assisted by the Secretary concerned and supported by a number of officials.

At the national level, the Union Minister for Agriculture, and Irrigation, supported by Secretary and other officers, is responsible for guiding the Community Development and Panchayati Raj policies. The Central Government advises the State Governments on various programmes to be covered by Panchayati Raj bodies.

#### Patterns of Panchayati Raj

State Governments have implemented Panchayati Raj and the following five broad patterns have emerged:

- (1) States where a wide range of functions and considerable funds have been entrusted to the Zila Parishad and the Panchayat Samiti functions as its regional committee, e.g. Maharashtra.
- (2) States where the Zila Parishad is only an advisory body and the Panchayat Samiti is the main executive body e.g. Tamil Nadu, Karnataka, Orissa, Punjab and Rajasthan.
- (3) States where the position is in between the two extremes, e.g. Gujarat, Andhra Pradesh, and Uttar Pradesh.
- (4) State where two-tier system operates without any popular set up at the block level, though the administrative apparatus has been retained, e.g. Assam with the Mahkuma Parishad and Gram Panchayats at Sub-Divisional and Village levels respectively.
- (5) States where only Gram Panchayats are functioning with no higher tier at Block or District levels, e.g. Kerala, Jammu and Kashmir and Madhya Pradesh.

State Supervision and Control

Apart from such instruments of supervision and control such as issue of instructions, calling of reports, collection of statistics, and sanctioning of grants-in-aid, the State Governments have retained sufficient authority for exercising control over Panchayati Raj bodies. Some of these powers as provided in the legislation include: (1) Power to take action against a defaulting unit, (2) Power to call for proceedings, (3) Power of entry and inspection, (4) Power to prohibit execution of a resolution which is contrary to public policy, (5) Power to supersede or dissolve, (6) Power to suspend and remove from office elected representatives. Other forms of control include audit, control over establishment, confirmation of bye-laws, sanction of loans, optional taxes and conferment of enhanced powers.

In addition, special officers and concerned departments such as Directorate of Panchayats, Rural Development, Inspector of Municipal and Local Boards and the Directorate of Local Fund Audit exercise overall supervision and control over Panchayati Raj bodies.

In all states, the officers at the district level could participate in the meetings of the Zila Parishads,



Panchayat Samitis and Gram Panchayats. In doing so, they are able to advise the elected representatives. They have also the obligation of giving technical, administrative and financial clearance to the schemes proposed. In addition, they have disciplinary control over the subordinate technical staff though to a limited extent.

### Functions

The functions of Panchayati Raj bodies vary from state to state. These may be classified, as under:

- (1) Obligatory Functions: These include maintenance and improvement of public roads, street lighting, water supply, burial grounds for burning ghats, drainage, public health, primary and secondary education.
- (2) Discretionary Functions: These include raising of plantation of trees on roadsides and waste lands, improving the breed of cattle and promoting cottage industries. In some states these also include implementation of land reforms, formation of cooperatives and collection of taxes.
- (3) Agency Functions: These include variety of rural developmental activities and for which these bodies act as agents of State and Central Government.

The specific functions assigned to the three bodies are as follows:

1. Gram Panchayat: Its main functions fall under the follow-

ing categories: (a) civic amenities; (b) social welfare activities; (c) development work. Civic amenities generally include obligatory functions. Social welfare activities are optional and include activities such as setting up and maintenance of libraries, reading rooms, community halls, play grounds, maternity and child welfare centres and bus stands. In regard to development works, the Gram Panchayat functions as agent of Panchayat Samiti and Zila Parishad.

2. Panchayat Samiti: The main functions of the Panchayat Samiti are to implement all development activities which were previously assigned to Community Development Blocks. In addition, it is also responsible for administration of primary education, health and sanitation including rural dispensaries and maintenance of village roads and minor irrigation projects. In many states, Panchayat Samitis have been entrusted with the supervision and control of Gram Panchayats including scrutiny and passing of budgets.

3. Zila Parishad: The functions of Zila Parishad vary from State to State. While in a number of States, it is purely an advisory and coordinating body, in others, it is the most important self-governing body with large number of executive functions including primary and secondary education, district roads, hospitals and dispensaries, health, family planning and sanitation.

Developmental Activities Undertaken by  
the Panchayati Raj Bodies

At the village level, most of the activities are undertaken by the Panchayat Samiti and Zila Parishad because Gram Panchayat is not in a position to undertake such works. In the context of some important activities today, the Gram Panchayat has assumed a definite importance and in spheres like agriculture and family planning it has helped to a large extent. The activities entrusted to the Gram Panchayat are village roads, street lights, providing supervision over primary education, planting trees, besides maintenance of public streets, sanitation facilities and operation of fair price shops. In irrigation, it maintains the village tank but is generally not in a position to plan and execute larger projects though it can recommend them to the Panchayat Samiti. In social education and welfare, the Gram Panchayat undertakes prohibition propaganda, amelioration of conditions of the backward classes, cultural programmes, film shows and recreation centres for the welfare of women and youth.

The Panchayat Samiti is the most important planning body at the block level and in its activities are included schemes for sanitation, link and approach roads to villages, programmes for special groups such as mahila mandals, youth clubs, farmers gatherings, applied nutrition programme for children and women. It also provides a



large number of utility institutions like seed farms, demonstration plots, family planning and health centres for general benefit of the community. It also plans and executes minor irrigation works, reclaims and conserves land for agriculture, provides high quality seeds, keeps model agriculture farms, constructs tube-wells and executes a large number of other development activities.

The Zila Parishad where it is entrusted with executive functions, does all the developmental works that a panchayat samiti does but in a more intensive manner. Its main function in development is planning for the district as a whole and ensuring that the available resources are utilised for benefit of the entire district and all sections of the people, especially the backward classes. In this context, the social welfare schemes such as the provision of safe drinking water are important.

#### Financial Resources

1. Gram Panchayat: Its source of revenue consists of grants, share of taxes collected by government, obligatory and optional taxes levied. It is also expected to raise voluntary contributions in cash, kind or labour. It can take loans from government. The largest assistance from government comes in the shape of grants, share in taxes and surcharge of land revenue. There are also certain miscellaneous items of revenue such as share of court fee and entertainment tax. In some states, house tax,



profession tax, vehicle tax, income from cattle pounds are among the more common taxes which a Gram Panchayat is empowered to levy. The larger Gram Panchayats are also empowered to levy octroi. The legislative enactments in all the states provide a long list of optional taxes which a Gram Panchayat may levy. In actual practice, however, Gram Panchayats rarely take advantage of these provisions. (The financial position of most Gram Panchayats, however, is precarious and they are not in a position to pay for salaries of staff, far from implementing the various obligatory functions assigned to them under the law).

2. Panchayat Samiti: In most states, the Panchayat Samitis are primarily dependent on State Government for grants. In respect of programmes hitherto executed by government and now transferred to Panchayat Samiti, such as primary education, and other development programmes, corresponding grants are made by the Government. Another source of revenue is the share of land revenue, per capita grants and matching contributions made by the Government.

The taxation powers of the Panchayat Samiti vary considerably from state to state. In all states, Panchayat Samitis have powers to take loans, accept grants, donations and contributions from different sources.

3. Zila Parishads: Except Maharashtra, Gujarat and Uttar Pradesh, Zila Parishads in other states have not been

empowered to levy taxes. In Andhra Pradesh, Bihar, Gujarat, Maharashtra, Orissa, Punjab, Uttar Pradesh and West Bengal, Zila Parishads have been empowered to collect grants from Central and State Governments and share of land cess, surcharge on land revenue and matching contributions, equalization grants and shares in State taxes.

Financial Powers: In Gujarat, Kerala, Tamil Nadu and Punjab, the Gram Panchayats have been empowered to sanction their own budget, while in Andhra Pradesh, Assam, Bihar, Maharashtra, Orissa, Rajasthan and Uttar Pradesh, these powers have been given to the Panchayat Samitis.

The budgets of the Panchayat Samitis are sanctioned by themselves in Maharashtra, Rajasthan and Uttar Pradesh, while in other States they are required to obtain sanction from the Zilla Parishads.

Zila Parishads in Andhra Pradesh, Bihar and West Bengal are required to get their budgets sanctioned by the State Government whereas in other states these are empowered to sanction their own budgets.

#### Problems in Present Panchayati Raj System

##### 1. Lack of Appreciation of Panchayati Raj at National and State levels:

Panchayati Raj, however, has not been given sufficient importance specially in the context of agricultural development. As the Draft Fifth Five-year Plan

states, "Where Zila Parishads have taken intensive interest in agriculture, it is desirable to utilize this powerful weapon to control the agricultural hierarchy in the district with technical supervision from the technical expertise at the state level".<sup>4</sup> The Plan goes on to state that "experience in the Fourth Plan has shown that mere coordination at the block level (Panchayat Samiti) by the Block Development Officer does not ensure the needs of the complicated programme. A programme of this nature is as complex as a large industrial enterprise. What is needed is an organisation which while having the hierarchical frame for the technical and service disciplines in their structure, provides for the close working together of the disciplines at the various levels ...."<sup>5</sup>

In recent years, there has been tendency to create new development agencies such as Small Farmers' Development Agency (SFDA), Marginal Farmers and Agricultural Labourers Development Agency (MFAL), Drought-Prone Areas Programme (DPAP), Pilot Intensive Rural Employment Programme (PIREP), apart from a large number of national and state level public sector corporations, nationalised banks, cooperatives and other institutions.

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4. Draft Fifth Five-Year Plan, 1974-79 (Vol. I) Government of India, Planning Commission, New Delhi, 1973, p. 102.

5. Ibid., p. 102.



2. Structure: The existing structure has been discussed above in detail. Experience has shown that the three-tier system has functioned better than the two-tier system and the point at issue now is how these three tiers can be strengthened for more efficient functioning. In Gujarat and Maharashtra for example, the Zila Panchayat has been vested with very wide powers whereas in Rajasthan, it is the Panchayat Samiti that plans and executes development works. The experience has been that with weak panchayats and an ineffective Zila Parishad, the basic goals of panchayati raj are not being realised and the State Governments are thinking in terms of strengthening all the three tiers.

The Gram Panchayat as a self-governing body has proved itself ineffectual and thinking is veering towards larger panchayat areas with more power and autonomy. This may result in a devaluation of the Panchayat Samitis but the Zila Parishad will be strengthened. The experience of Gujarat and Maharashtra has shown that the Panchayat Samiti is very effective in co-ordinating Gram Panchayat activities and in successfully implementing the plans framed at the district level.

3. Finance: Panchayati Raj bodies have not been given resources in consonance with functions expected. It can only be emphasised here that since the problem of taxes is endemic to the whole democratic structure in the country, the best way out of the impasse is to have a tax



on agricultural income, the mechanics of which can only be worked out at the national level. The local bodies are too weak to tap even the resources, to which they are entitled.

4. Personnel: This is a major problem that exists both horizontally at the block and district levels and vertically between the officers of these two tiers. Gujarat and Maharashtra have tried with definite success the scheme of placing all the technical staff with an IAS officer at their head directly under the Zila Parishad. Where the Collector is the co-ordinating authority the main difficulty is the work-load this imposes on him. Development work is a full-time job and it is for consideration whether one officer can successfully manage these multifarious activities.

5. Autonomy: Autonomy and accountability are closely linked and where autonomy has been given to the elected representatives, especially at levels that involve definite decision-making, the experiment has been reasonably successful. A strong grass-root base will always throw up leaders who are responsible both to their constituency and to the spirit of the law and institutions which they serve.

6. Checks and Controls: When the institutions develop inbuilt checks and controls, the whole working of Panchayati Raj is free from trouble and interference. The tendency

of politicians to meddle in small matters can be a major source of difficulty but when relations between the officials and the non-officials at the higher levels are governed by desire for effective functioning such problems can be solved. The word 'control', should, therefore, mean a basic desire to guide and assist and not assert or dominate.

An independent audit agency would be able to ensure against misuse of funds earmarked for development. The difficulties of supersession or dissolution arise when there is no agency to guide and correct the erring bodies between them and the State Government.

7. Involvement of M.P.s and M.L.A.s: Instances are common in many states where at elections to the block and district levels candidates use various means to ensure success. The influence of M.P.s and M.L.A.s has also not been very healthy at times. Dissociating them from Panchayati Raj bodies is one solution but it has been seen that their influence can also be good. As in some States, it may be appropriate to make them ex-officio members without voting or office holding-rights.

8. Politics in Panchayati Raj Elections: Despite the malpractices it will not be possible to debar parties from Panchayati Raj elections. If Gram Panchayats are sound and active bodies, the experience is that politics remains

up to the actual election time. Thereafter the members definitely get concerned about their own village activities. In any case, politics in elections is not always unhealthy as it helps to polarise sections with common interests which cut across traditional boundaries of caste and kinship groups.

9. Peoples' Participation: All the groups in villages especially the backward classes, still do not get proportional representation because traditional leaders and castes still exert influence in most village societies. This is a long-term problem and will go only with increased educational and social facilities for such classes. The basic aim of Panchayati Raj, which is full peoples' actual participation, is not yet a reality.

10. Inefficiency: This problem is endemic in all institutions and it is unfair to pick on the Panchayati Raj set-up alone for criticism. With greater enlightenment and strengthening of administrative capacities, performance levels are bound to improve.

11. Relations between the Elected Representatives and the officials:

With the passage of time, this problem has definitely lessened and today it cannot be called an institutional problem. In States where decentralisation of powers and responsibilities to the Panchayati Raj bodies are greater, such relations have generally been harmonious because both groups are working towards the same goal.



12. Coordination: It has been expressed in several quarters that the Panchayati Raj bodies have not succeeded in carrying out certain programmes successfully because of lack of coordination at various levels. In brief, this is generally restricted to the problem of adjustment and relationship between:

- a) The different tiers of Panchayati Raj i.e., Gram Panchayat, Panchayat Samiti and Zila Parishad;
- b) The various departments and agencies connected with rural development;
- c) The Chief Executive Officer and the elected chief;
- d) The technical and administrative officers of the same level; and
- e) The coordinator at the lower level and the technical officer at the higher level.

The problem of coordination is sometimes due to lack of specifications in the functions. In addition, frequent change in the functions of the employees result in tensions and disharmonious relations, apart from under-utilisation of capacities. The problem of coordination has another dimension i.e., relationship between generalists and specialists. Previously the district administration was headed by the District Collector who was expected to supervise and control all types of functions. With the introduction of Panchayati Raj, however, the situation has changed. As already indicated, in some states an I.A.S. Officer of the rank of Collector has been placed



as Chief Executive Officer of the Zila Parishad and controls the district level staff connected with rural development. Similarly, at the Block level the Block Development Officer has been placed as the captain of the team of Extension Officers and Village Level Workers. Differences in outlook and conflict hamper the administrative efficiency.

### B. Identification of Training Needs

Before we now proceed to identify the training needs of elected representatives and officials at various levels of Panchayati Raj, it would be appropriate to analyse the role of the training function not only to enable the present system to perform better but also seek to advise on structural changes for meeting the new challenges. This involves its interaction with the national and state levels in a research and development approach to multi-level planning for delineation of appropriate functions at different levels including the local. It also calls for a continuous dialogue not only with Panchayati Raj but also with other agencies so that coordinated framework for integrated rural and urban development at the local level gets evolved in course of time.

National Development Goals, Objectives  
and priorities

In the Draft Fifth Five-year Plan, India has set for itself removal of poverty and attainment of economic self-reliance as the twin goals for "the existence of poverty is incompatible with the vision of an advanced, prosperous, democratic, egalitarian and just society implied in the concept of a socialist pattern of development"<sup>6</sup>. Economic growth and reduction in inequality are both indispensable to successful attack on mass poverty which is more prevalent in the rural areas.

It has also been increasingly recognised that whereas planning at national and state levels takes care of sectoral allocations, regional and micro-level planning is essential for a proper integration of sectoral-cum-spatial requirements in which rural and urban centres are considered in a non-dichotomous hierarchy of settlements and functions for promoting a more balanced development. Moreover, as a United Nations document has brought out, "there is need to have a systems approach to integration of economic and social planning postulating that relations between general conditions of health, education and social welfare on the one hand and levels of economic development on the other, are relations of inter-dependency in a complex

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6. Ibid., p. 6.

inter-acting system. The system type approach accepts covariation within the development process and seeks to determine how much health, education or social security tends to go with and is demonstrably consistent with the given level of economic development in a developing system".<sup>7</sup> This implies that human resource development has to be an integral part of development planning and has to be given higher priority than given till now. This should be reflected in training programmes as well.

#### Programmes and Activities of Panchayati Raj

Some of the major problem areas in Panchayati Raj have already been highlighted earlier in the paper. These relate to the need to give a more supportive role by the government at the national and state levels in line with requirement of multi-level planning, devolution of sufficient resources, functions and powers so that better balance between autonomy, accountability and supervision is achieved. Other problems relate to relationships between elected representatives and officials, people's participation, finances, allocation of development functions to a number of agencies, and coordination.

Whereas it is difficult to evolve objective criteria for evaluating performance of complex organisations,

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7. "Integration of Economic and Social Planning" United Nations Institute of Social Development, Geneva: 1969.



especially in public services, some of the more relevant ones in the context of Panchayati Raj are promotion of development programmes such as agriculture, employment and social services, mobilisation of local resources people's participation and provision of civic amenities.

The very fact that Panchayati Raj, except in a few states, has not been in a position to fulfil many of these criteria, points out to the need for reorganising and strengthening it with suitable staff appropriately attuned to the requirements of the rural population, especially the weaker sections.

Moreover, while opinions may differ about which level to strengthen, there appears to be a general agreement that district is the most appropriate level. This would make Zila Parishad financially and administratively viable and improve its capacity for undertaking planning and implementation functions, with the lower level institutions performing more or less agency functions. These institutions could then concentrate upon mobilising local resources and people's participation.

Acceptance of training as an essential input in organisation development is conditioned by legitimacy of training function itself and support from higher levels. Training has, therefore, to be viewed as an integral part of the organisational change and development in Panchayati Raj to meet the new challenges in the environment. Organisational



efficiency and effectiveness of panchayati Raj are affected by structural inadequacies, procedural bottlenecks, insufficient delegation of powers and resources; and disjointed decision-making in giving administrative, technical and financial sanctions. The problems have already been highlighted. Effectiveness of training is to a large extent also influenced by the personnel policies of recruitment, initial training, on-the-job supervision, transfers, in-service training, wage and salary administration, incentives and discipline, as also by organisational culture as determined by the group, inter-group, formal and informal relations and the pattern of executive leadership at different levels of the organisation. Central to personnel policies is job analysis for role clarity which is essential for job specification and enlargement, job standards, promotional channels, wage administration and training requirements.

From an analysis of the programmes and activities of Panchayati Raj bodies, it would be evident that training programmes require to be developed for improving image and legitimacy of Panchayati Raj in the eyes of the national policy-makers as also the state-level counterparts. This would help to evolve a more adequate organisational structure by providing the different levels of Panchayati Raj, specially Zila Parishads, with adequate resources, functions, and powers. There is also need to have a fresh look at rules,

procedures and control systems established at the state level to give Panchayati Raj a greater measure of initiative and flexibility as well as the appropriate degree of autonomy. The relationships of Panchayati Raj with other developmental agencies including municipalities and urban development authorities need to be reexamined so as to evolve a coordinated organisational set-up for district level planning.

The national training policy frame for Panchayati Raj therefore, has to take into account the important role it can play in helping to bring about the necessary changes in Panchayati Raj structure and functions. At the same time, the legitimacy of training function itself needs to be established on a sounder footing by having Research and Development orientation so that there is a continuous dialogue between the trainers, policy-makers and administrators at different levels. There has also to be an assurance that certain percentage of budget at all levels is earmarked for training purposes.

It would be useful at this stage to examine the requirements of the number of personnel to be trained. According to an estimate made by the Government of India,<sup>8</sup> the programme of training of elected representatives

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8. "Training of Non-officials" Ministry of Community Development and Cooperation, Government of India, New Delhi, (1973).

alone would require training of 16 lakhs (10 lakhs = 1 million) Panches (Members of Gram Panchayats, 5000 Pradhans (Chief of Panchayat Samiti), 322 Pramukhs (Presidents of Zila Parishads), 300 members of Informal Consultative Committees of the State Legislatures and the Parliament. Education of members of Gram Sabhas will in itself involve in effect the entire rural population of the country numbering over 200 million. This is indeed a challenge big enough even for the most optimistic training enthusiast!

A review of the existing training facilities reveals that at the apex, we have the National Institute of Community Development, 15 State Level Training Institutes and 11 Tribal Research and Training Institutes for block level elected representatives and officials, 89 Village Level and Extension Training Centres, 26 Gram Sevika (Women V.L.W.) Training Centres; and 50 Panchayati Raj Training Centres for training of Sarpanches and Panches of Gram Panchayats.

While considerable number of elected representatives and officials have already been trained the existing syllabi of the training centres require to be thoroughly overhauled so that knowledge, skills and attitudinal content is brought in line with the structural and functional changes required in Panchayati Raj and other development agencies such as public sector corporations and commercial banks.



The training centres would also need to be reorganised and new centres opened for training of leaders among youth, women, farmers, agricultural labourers and artisans for giving people's participation on institutional base linked with Panchayati Raj at different levels.

Training of trainers on continuous basis would have to be an integral part of the national plan of training. There is already a nucleus at the National Institute of Community Development.

It may be suggested that a National Council on Training, Research and Development in Rural and Urban Local Government be established for preparing and implementing an integrated National Plan on Training for Local Government and Development.

Knowledge, Skills and Attitudes: For making the organisational functioning more effective, training could perform a very important role in imparting new knowledge, in developing the appropriate skills not only for better job performance but also for improving the human relations and bringing about attitudinal changes which implies experimental learning in self-concept, self-esteem, empathy, cooperative behaviour and a general awareness to become more committed to the requirements of the people. While knowledge content would be more related to the specific job requirements, it would also be helpful in the areas of administrative coordination



and management practices such as performance budgeting, project planning, management information system, human and organisational behaviour.

While above analysis has already given the requirements of personnel at different levels of Panchayati Raj, it is evident that for a large country like India, it is difficult to indicate the knowledge, skills, and attitudinal content of training programmes for all categories and levels of personnel.

A selective approach would, therefore, have to be made in terms of certain specific categories at different levels. Some indications have already been given about the need for a programme to involve the top national and state level political leaders and administrators. A series of national and regional seminars and workshops of key personnel such as ministers, secretaries to government, heads of development departments, such as finance, planning, agriculture, cooperation, industries, rural and urban local government, community development, education, health and family planning and housing, would go a long way in achieving this objective. The seminars could highlight role of Panchayati Raj and municipal bodies, district administration, public sector corporations, cooperatives, commercial banks and voluntary organisations in multi-level planning and demarcate specific areas and functions for local government and development.

The next category of key personnel would be the controllers of Local Fund Audit who go about their job in inspecting and auditing the accounts of Panchayati Raj bodies. While their attitude needs to be improved, there is need to introduce performance budgeting and project appraisal and making a thorough revision of rules and procedures so as to enhance efficiency and at the same time promote autonomy. This would again have to be supported by Research and Development Wing of the National Training Council. The knowledge content would then have to be reorganised in terms of the new requirements not only of the State level functionaries but also of the officials of Panchayati Raj and local government authorities. The appropriate skills in planning, project appraisal, account keeping and auditing would have to be imparted. Similarly, the attitudes would have to be changed from those of fault finding to advising and offering helpful guidance rather than only performing post-operational criticism of the amounts spent.

The next category of key personnel to be trained is the political and administrative heads along with the senior officials of Zila Parishads. Both the categories of personnel i.e., elected representatives and officials need to be trained together so that they could learn to appreciate the problems of each other better.

This would also promote a better understanding of their respective roles and thereby minimise areas of misunderstanding and conflict.

Other categories of personnel to be trained would be the middle and field level functionaries for whom specific training programmes in terms of appropriate knowledge, skills and attitudes would have to be devised. Whereas it is not possible to give detailed syllabi for all categories of personnel mentioned above, the enclosed syllabi may serve as examples.



### C. The Training Syllabus

#### I. Course on Financing Rural Local Government and Development

##### Course Objectives

- (i) To create an understanding of the role of rural local government in development administration,
- (ii) To impart knowledge about modern concepts of fiscal administration as related to planning and development,
- (iii) To develop skills in modernising existing rules and procedures and dealing with resistance to change,
- (iv) To provide opportunities for practising new skills in the training environment,
- (v) To promote positive attitudes of guidance, supervision and team work.

##### Course Contents

###### A. Rural Local Government

- 1. Development Goals and Strategies
- 2. Planning, Implementation and Evaluation
- 3. Resource Mobilisation

###### B. State-Zila Parishad Fiscal Relations

- 1. Legislative Provisions
- 2. Budgeting Procedures
- 3. Resource Allocation - Grants, Matching contributions, share in taxes and revenues



4. Financial resource mobilisation by  
Zila Parishads, and

5. State supervision and audit

C. Performance Budgeting and Project Management

1. Basic concepts in performance budgeting

2. Basic concepts in project formulation,  
appraisal, implementation and evaluation

3. Problems of change over from present system

4. Supervision and audit including internal  
audit.

D. Organisational Behaviour and Development

1. Human Personality

2. Group dynamics

3. Group and Inter-group Relations

4. Motivation, morale and Leadership

5. Organisation Development

Participants

The Course is open to following officers:

1. Deputy Secretaries in state Government

Departments of Finance, Planning, Development  
and Local Government - Urban and Rural

2. Directors/Dy. Directors of State Local  
Fund Audit.

3. Administrative Officers/Office Super-  
intendents/Chief Accountants of Zila  
Parishads

Course Methods:

Course Methods will include lecture-cum-discussion, small group discussion, programmed learning, preparation and discussion of budgets and projects, role play and other simulation exercises.

Duration:

4 weeks.

## II. Course on Rural Local Administration and Development

### Course Objectives:

- (i) To create an understanding of role of rural local government in multi-level planning and development,
- (ii) To impart knowledge about rural and urban local governments in relation to state governments,
- (iii) To impart knowledge about local planning, financing and administration of development programmes,
- (iv) To develop skills in planning, organisation, development, staff relations and evaluation,
- (v) To promote positive attitudes of guidance, empathy for common-man and team work.

### Course Contents:

#### A. District Administration, Panchayati Raj and Development

- 1. Central and State Governments in relation to District Administration
- 2. Development goals and strategies
- 3. Multi-level Planning and Development Administration at District level
- 4. Roles of Rural and Urban Local Government

#### B. Panchayati Raj and Rural Development

- 1. Patterns of Panchayati Raj
- 2. Rural Development Programme

3. Other Agencies and Problems of Coordination
4. Relations between Elected Representatives and officials

C. Organisation Development and Panchayati Raj

1. Relations between Zila Parishad, Panchayat Samitis and Gram Panchayats
2. Financial Management, Performance Budgeting and Project Appraisal
3. Personnel Management including Training on the Job
4. Rules and Procedures in relation to decision-making.
5. Dynamics of Individual, Group and Inter-group Behaviour
6. Motivation, Morale and Leadership
7. Organisation development

D. Panchayati Raj and People's Participation

1. Rural society, caste and class stratification, norms and values, traditional and elected representatives
2. Rural social change, interest groups, youth, women, farmers, agricultural labourers and artisans
3. Group, Inter-Group and Community Organisation

E. Practical Exercises in Decision Making and Team-Work



Participants:

The course is open to following personnel:

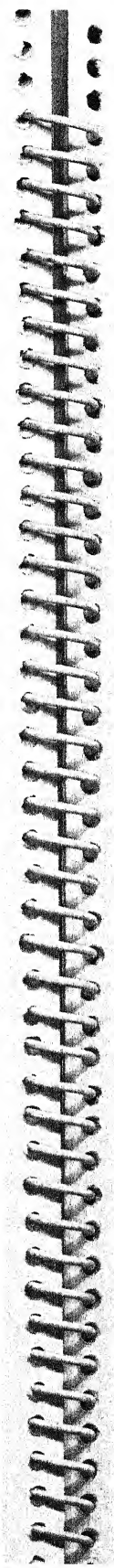
1. Presidents/Vice-Presidents and chairmen of Standing Committees of Zila Parishads
2. Chief Executive Officers/District Development Officers of Zila Parishads, District Collectors, District Planning Officers and other District Level Officers of Technical Departments.

Course Methods:

Course Methods will include lecture-cum-discussions, small group discussions, case studies, role play and simulation exercises.

Duration:

Three weeks.



ANNEXURE - I

Coverage of Panchayati Raj Bodies - State-wise

As on 31-3-1973

State/ Union Territories	Gram Pancha- yats. (Nos.)	Pancha- yat Sa- mitis (Nos.)	Zila Pari- shads (Nos.)	Population covered by gram Panchayats (Based on 1971 Census)	Villagers covered by gram Panchayats (Nos.)
1.	2.	3.	4.	5.	6.
1. Andhra Pradesh	15912	324	21	297(a)	28777
2. Assam(R)	2602	121	19	129	17717
3. Bihar	10852	214	8	423(A)	67679
4. Gujarat	12119	184	18	201	18571
5. Haryana	4937	83	7	100	6982
6. Himachal Pradesh	2026	29	-	32	13060
7. Jammu & Kashmir	1496	-	-	37.70	6559
8. Karnataka	8250	175	-	225	29117
9. Kerala	967	-	-	188	1951
10. Madhya Pradesh (R)	12815	390	-	233(a)	70394
11. Maharashtra	22512	296	25	347	35665(d)
12. Mainipur	224	-	-	6	916
13. Maghalaya(b)	-	-	-	-	-
14. Nagaland (b)	-	-	-	-	-
15. Orissa	3838	314	-	200	46992
16. Punjab	9432	116	11	103	11933
17. Rajasthan	7362	232	26	212	35795
18. Tamil Nadu	12628	374	23(e)	322	17043

Contd...

1	2	3	4	5	6
19.Tripura	466	-	-	12.56	850(d)
20.Uttar Pradesh	72832	875	54	750	112624
21.West Bengal(R)	19662	325	15	323	38465
22.Sikkim (b)	-	-	-	-	-
<u>UNION TERRITORIES</u>					
23.A&N.Islands(R)	39	-	-	0.53(a)	389
24.Arunachal Pradesh	623	44	5	4.10	2597
25.Chandigarh	17	1	1	0.38	22
26.Delhi	204	-	-	4.14	259
27.D&N Haveli	10*	-	-	0.74	72
28.G.D.& Diu	199	-	-	6.0	553
29.Lakshadweep(b)	-	-	-	-	-
30.Mizoram (b)	-	-	-	-	-
31.Pondicherry(b)	-	-	-	-	-
All-India	222050	4097	233	4164.13	564982

(a) Figures as per 1961

(b) There is no Panchayati Raj set up

(c) Refers to Dist.Dev.Councils

(d) Refers to Rev. Villages

(\*) Refers to Group Panchayats

(R) Figures as on 31.3.1972.